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FM AMCONSUL JERUSALEM  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6908  
INFO RUEHKK/ARAB ISRAELI COLLECTIVE PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RUEHBS/USEU BRUSSELS PRIORITY

UNCLAS SECTION 01 OF 02 JERUSALEM 000459

SIPDIS

SENSITIVE  
SIPDIS

NEA FOR FRONT OFFICE; NEA/IPA FOR  
WILLIAMS/SHAMPAINE/BELGRADE; PRM FOR PDAS GREENE AND  
PRM/ANE; NSC FOR ABRAMS/DORAN/WATERS; TREASURY FOR  
SZUBIN/LOEFFLER/NUGENT/HIRSON; BRUSSELS FOR LERNER; PLEASE  
PASS TO USAID FOR KUNDER/MCCLOUD/BORODIN

E.O. 12958: N/A

TAGS: [PHUM](#) [EAID](#) [ECON](#) [EAGR](#) [KWBG](#)

SUBJECT: WFP/FAO REPORTS ON PALESTINIAN FOOD SECURITY

1. (SBU) Summary: The latest WFP/FAO food security report states that one-third of Palestinian households are highly dependent on food assistance, as financial hardship greatly reduced Palestinian access to food in 2006. Forty-six percent of Palestinians fell below the USD 2.20 per capita per day local poverty line, despite large-scale humanitarian assistance in 2006. Food insecurity levels have remained relatively steady over the last five years, yet would have increased substantially in 2006 without the major increase in food aid, according to WFP. The report cited poor harmonization between actual Palestinian needs and international assistance programs, as only 29.4 percent of food insecure Palestinians received food aid in 2006. End summary.

LESS THAN ONE-THIRD OF FOOD INSECURE  
RECEIVED ASSISTANCE  
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2. (SBU) The 2006 WFP/FAO Comprehensive Food Security and Vulnerability Analysis Report (CFSVA), released February 21, concluded that 54 percent of Palestinians are relatively food secure (defined as households with income and/or consumption above USD 2.20 per capita per day), while 46 percent as relatively insecure (income and/or consumption below USD 2.20 per capita per day). Of the poorest Palestinian households, those with income and consumption levels less than USD 1.60 per capita per day, only 29.4 percent received international food aid in 2006.

3. (SBU) WFP representatives told Econoff March 6 that during the last five years, an estimated 35-37 percent of the WB/G population has been food insecure on average. Jacques Higgins, WFP Deputy Country Director, said that without the increased food assistance in 2006, specifically the USD 80 million jump in food aid in mid-2006, levels of food insecurity would have been significantly higher.

MUST IMPORT STAPLES  
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4. (SBU) The report stated that local food production in the WB/G does not and will not provide sufficient staple food commodities and that the food supply will always rely on imports and commercial channels. (Note: The WB/G does not have a comparative advantage in cereals, and some donor projects are promoting small-scale agriculture production for local consumption, including two from USAID. End note.) Palestinian areas that have rich agricultural potential, such

as Qalqilya, Tulkarm, and the Jordan Valley, are affected by closures and are isolated from urban Palestinian markets. Israeli food products continue to fill the shelves in Palestinian markets.

#### SOME INCREASE IN FOOD PRICES

15. (SBU) Food prices increased in the WB/G during 2006, despite drastic reductions of livelihoods. According to the report, for the first time in the ten years of WFP/FAO food security mapping in the WB/G, food prices in Gaza exceeded those in the West Bank in May 2006. (Note: Gaza prices have traditionally been lower than those in the West Bank due to Gaza's higher rate of unemployment and generally weaker economic situation. End note.) The report stated that rising prices in Gaza were caused, in part, by higher transportation costs brought about by the Israeli closure regime. Rising prices were also caused by the inflow of more expensive Israeli products into Palestinian markets. The effect of the prevalence of food aid on food prices in the WB/G is not clear from the study - it seemed to be fairly insignificant, however.

16. (SBU) Note: USAID's Private Enterprise Development (PED) program's December 2006 household survey concluded that 73 percent of Palestinians reduced expenditures on food in 2006 and that food prices did not increase markedly in 2006, but varied by commodity. End note.

#### NO ACUTE FOOD CRISIS

17. (SBU) According to the report, acute food crises have not

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materialized in the WB/G, as strong social ties tended to prevent acute household hunger. The report indicated that chronic malnutrition is on a steady, although slowly rising trend, and micro-nutrient deficiencies are of concern, particularly iron, iodine and Vitamins A and D, in both the West Bank and Gaza.

#### REPORT'S RECOMMENDATIONS

18. (SBU) The report underlined the need to improve agriculture in WB/G as a way to improve food availability. Closures, the destruction of agricultural lands, and the lack of water, all hinder the already minimal agriculture production from reaching local consumers. Other recommendations include the need to protect livelihoods, create jobs, mitigate poverty, and improve the environment for food trade in the WB/G.

19. (SBU) The report highlighted the poor harmonization between actual needs and international assistance programs. The report also suggests that the USD 127 million in food assistance under the UN's Consolidated Appeals Process (CAP) for WB/G in 2006 could have been better targeted to feed the neediest Palestinian households. (Note: WFP handled USD 79 million of the USD 127 million for food raised under the CAP in 2006. End note.) The report recommends that donors adopt standard criteria and methods to determine eligibility for food aid packages and that humanitarian efforts be reviewed in light of social equity.

WALLES